

Abridged Unaudited Financial Statements for the Quarter Ended 30 September 2017

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2017

	Unaudited Sep 17 MUR	Unaudited Sep 16 MUR	Audited Jun 17 MUR
ASSETS			
Cash and cash equivalents	3,934,042,216	4,623,022,346	4,317,358,970
Due from banks	1,238,046,177	1,504,931,899	1,183,314,188
Derivative financial instruments	25,306,894	1,679,877	4,407,594
Loans and advances to customers	4,856,142,867	4,805,850,789	5,095,744,575
Investment securities	5,448,115,744	4,698,428,857	4,716,445,587
Other assets	38,120,227	15,331,666	31,223,839
Property and equipment	369,543,270	223,378,818	372,510,402
Intangible assets	6,117,903	8,988,612	6,819,610
Deferred tax assets	22,216,606	26,413,954	24,025,071
Total assets	15,937,651,904	15,908,026,818	15,751,849,836
LIABILITIES			
Derivative financial instruments	14,271,629	2,947,052	16,531,096
Deposits from customers	14,109,772,180	14,204,346,983	13,803,065,697
Preference shares	270,075,198	326,206,780	265,749,768
Current tax liabilities	35,957,820	44,347,227	23,175,879
Other liabilities	112,647,897	105,220,449	303,047,345
Total liabilities	14,542,724,724	14,683,068,491	14,411,569,785
Shareholders' Equity			
Issued capital	940,495,472	940,495,472	940,495,472
Retained earnings	374,900,057	237,972,787	322,022,542
Other reserves	79,531,651	46,490,068	77,762,037
Capital and reserves	1,394,927,180	1,224,958,327	1,340,280,051
Total liabilities and equity	15,937,651,904	15,908,026,818	15,751,849,836
Contingent liabilities			
Guarantees on account of customers	10,493,278	12,321,203	10,780,105
Commitments	1,524,589,853	691,863,754	1,067,475,535

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2017

	Unaudited Quarter ended Sep 2017 MUR	Unaudited Quarter ended Sep 2016 MUR	Audited Year ended Jun 17 MUR
Interest income	163,209,250	159,035,124	645,237,899
Interest expense	(74,598,517)	(78,881,155)	(309,205,620)
Net interest income	88,610,733	80,153,969	336,032,279
Fee and commission income	24,460,942	28,818,554	112,992,592
Fee and commission expense	(6,078,019)	(5,717,677)	(23,853,484)
Net fee and commission income	18,382,923	23,100,877	89,139,108
Net trading income	13,624,696	10,881,156	63,830,549
Other operating income	3,964,442	289,994	4,005,926
Total other income	17,589,138	11,171,150	67,836,475
Operating income	124,582,794	114,425,996	493,007,862
Non interest expense	(57,088,220)	(47,522,050)	(219,737,365)
Operating profit before impairment	67,494,574	66,903,946	273,270,497
Allowance for credit impairment	(33,620)	(3,644,814)	(22,952,713)
Profit after impairment	67,460,954	63,259,132	250,317,784
Income tax expense	(14,583,439)	(11,747,322)	(41,809,819)
Profit for the period	52,877,515	51,511,810	208,507,965
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of retirement pension net of deferred tax	-	-	(483,394)
Profit/ (loss) on remeasuring available for sale assets	1,769,614	(78,132)	(82,358)
	1,769,614	(78,132)	(82,358)
Other comprehensive income/(loss) for the period	1,769,614	(78,132)	(565,752)
Total comprehensive income	54,647,129	51,433,678	207,942,213
Weighted average number of ordinary shares	76,271,872	76,271,872	76,271,872
Basic and diluted - earnings per share	0.69	0.68	2.73

STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2017

	Stated Capital MUR	Retained Earnings MUR	Statutory Reserve MUR	General Banking Reserve MUR	Investment Revaluation Reserve MUR	Total MUR
At 01 July 2016	940,495,472	178,491,090	50,821,627	39,369,312	(3,434,180)	1,205,743,321
Restatement *	-	7,969,887	(5,541,075)	(39,369,312)	4,721,828	(32,218,672)
As restated	940,495,472	186,460,977	45,280,552	-	1,287,648	1,173,524,649
Net profit for the period	-	51,511,810	-	-	-	51,511,810
Other comprehensive loss for the period	-	-	-	-	(78,132)	(78,132)
At 30 September 2016	940,495,472	237,972,787	45,280,552	-	1,209,516	1,224,958,327
At 01 July 2016	940,495,472	178,491,090	50,821,627	39,369,312	(3,434,180)	1,205,743,321
Restatement *	-	7,969,887	(5,541,075)	(39,369,312)	4,721,828	(32,218,672)
As restated	940,495,472	186,460,977	45,280,552	-	1,287,648	1,173,524,649
Net profit for the year	-	208,507,965	-	-	-	208,507,965
Other comprehensive loss for the year	-	(483,394)	-	-	(82,358)	(565,752)
Transfer to statutory reserve	-	(31,276,195)	31,276,195	-	-	-
Equity dividends	-	(41,186,811)	-	-	-	(41,186,811)
At 30 June 2017	940,495,472	322,022,542	76,556,747	-	1,205,290	1,340,280,051
Net profit for the period	-	52,877,515	-	-	-	52,877,515
Other comprehensive income for the period	-	-	-	-	1,769,614	1,769,614
At 30 September 2017	940,495,472	374,900,057	76,556,747	-	2,974,904	1,394,927,180

* Details of the restatement are available on Note 41 in our Annual report.

STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 SEPTEMBER 2017

	Unaudited Quarter ended Sep 2017 MUR	Unaudited Quarter ended Sep 2016 MUR	Audited Year ended Jun 17 MUR
Net cash generated from operating activities	347,075,062	668,242,525	686,730,674
Net cash (used in)/generated from investing activities	(730,027,360)	128,701,816	(63,601,349)
Net cash used in financing activities	-	(140,006,397)	(235,018,208)
Net (decrease)/increase in cash and cash equivalents	(382,952,298)	656,937,944	388,111,117
Net foreign exchange difference	(364,456)	16,523	(36,820,026)
Net cash and cash equivalents at beginning of period / year	4,317,358,970	3,966,067,879	3,966,067,879
Net cash and cash equivalents at end of period / year	3,934,042,216	4,623,022,346	4,317,358,970

Comments on results

The bank closed its first quarter with a Profit before tax of MUR 67.5m, equivalent to an increase of 7% compared to first quarter of 2016/17. The performance was driven mainly by improvement in Net Interest Income and Other Income, culminating in an Operating Income of MUR 124.6m for the quarter, representing a 9% growth on comparative figures. Meanwhile, with the continued expansion of the bank, Non-Interest expenses totaled MUR 57.1m, as a result of additional recruitment of personnel and upgrading of the bank's infrastructure to service its clients.

The bank's total asset base was MUR 15.9bn while deposits and savings portfolio ended the quarter at MUR 14.1bn. The Capital Adequacy Ratio stood at 15.2%.

By Order of the Board

The abridged unaudited interim financial statements have been prepared in accordance with the same accounting policies as those set out in the audited financial statements for the year ended 30 June 2017.

Copies of the interim financial statements are available, free of charge, upon request made to the Company Secretary at its registered office, ABC Centre, Military Road, Port Louis and can be viewed on our website www.abcbanking.mu

This notice is issued pursuant to DEM Rule 17 and the Securities Act 2005. The Board of Directors of ABC Banking Corporation Ltd accepts full responsibility for the accuracy of the information contained in this report.

By Order of the Board
ABC Professional & Secretarial Services Ltd
Per Mahesh Ittoo, ACIS
Company Secretary

14 November 2017

WEAL HOUSE, Duke of Edinburgh Avenue,
Place d'Armes, 11328, Port Louis, Mauritius
Tel: (230) 206 8000 Fax: (230) 208 0088
Web: www.abcbanking.mu

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